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UniSourceEnergy
SERVICES

ORIGINAL

June 18, 2010

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

RE: UNS Electric, Inc.'s Rider R-2 Demand-Side Management Surcharge
Docket No. E-04204A-06-0783 Decision No. 71719

UNS Electric, Inc. hereby submits its Pricing Plan Rider R-2 Demand-Side Management Surcharge in compliance and consistent with Decision No. 71719 (June 3, 2010).

If you have any questions regarding this filing, please feel free to contact me at (520) 884-3680.

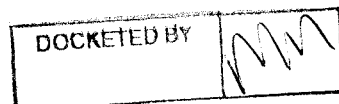
Sincerely,

Jessica Bryne
Regulatory Services

cc: Compliance, ACC

Arizona Corporation Commission
DOCKETED

JUN 21 2010



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UNS Electric, Inc.
Rider R-2
Demand Side Management Surcharge (DSMS)

APPLICABILITY

The Demand Side Management Surcharge (DSMS) applies to all customers, except customers who take service under the Customer Assistance Residential Energy Support (C.A.R.E.S) pricing plan or Low income Medical Life Support Program (C.A.R.E.S.-M) pricing plan in all territory served by UNS Electric, Inc. as mandated by the Arizona Corporation Commission, unless otherwise specified. C.A.R.E.S. and C.A.R.E.S.-M customers are exempt from any DSM surcharges effective July 1, 2009.

RATE

The DSMS shall be applied to all monthly net bills at the following rate:

All kWh @ \$0.000995 per kWh

REQUIREMENTS

The UNS Electric, Inc. DSMS will be calculated and filed with the Arizona Corporation Commission (ACC) for approval on or before April 1st. The ACC will approve the surcharge to be billed to all applicable pricing plans for twelve (12) months beginning each June 1.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company, and/or the price of, or revenue from, gas sales or service sold and/or the volume of gas sales generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Electric Service Area

Tariff No.: Rider R-2 DSMS
Effective: June 1, 2010
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